

The BRIDGE

The Credit Union Way to Economic Betterment

"That these may face a future unafraid"



Official
Publication
of the
**CREDIT UNION
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ASSOCIATION**
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THE BRIDGE

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SUBSCRIPTIONS—\$1 A YEAR

CONTENTS

New Ruling by Treasury Department on Defense Bond Sales... 27

Credit Union Men Buy Defense Bonds 29

Do You Need Air-Raid Protection?
By Edward L. Shanney..... 30

'41 Credit Union Figures..... 31

Buffalo Railroad Men,
By Thomas A. Mahoney..... 33

Credit Unions in the Northwest,
By William B. Tenney..... 37

Central Credit Unions..... 41

All Out for Victory!
By Roy F. Bergengren..... 46

Cover Photograph—from a photomural erected in Grand Central Terminal, New York City, by the Treasury Department to advertise Defense Bonds. The picture on page 37 is from the same photomural.



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The credit union front

WE WILL learn before long that this war is not the end of the world. There are still wives and children to be supported, food and clothes to be produced, schools to be kept running, weary people looking for relaxation and entertainment at the end of the day.

Side by side with the production of tanks and planes, the training of soldiers and the launching of ships, the old activities have to be kept going. People go on needing a night's sleep, medical attention, groceries, an evening of bridge, a pack of cigarettes; children are born, trains go on running, snow fills the streets, kids break windows, roofs leak, forests burn, shoes wear out and pants get shiny.

People go on needing money. The president of Household Finance Corporation in a letter to stockholders has announced that he expects 1942 to be a good year; 50,000,000 people will be working this year, he says, as compared to 33,000,000 in 1933. The loan sharks will be hunting business in 1942 just as in 1940, or 1900, or 1776.

CREDIT union people have been called amateur bankers. The word amateur has a good meaning and a bad meaning: In a flattering sense, it means one who takes part in an activity because he loves it. In a deprecatory sense, it means one who is a dabbler and will give up his activity when something more exciting comes along.

Amateurs or not, credit union people cannot give up now: there is too much at stake. Amateurs or not, we are in control of something that is bigger than we are—something on which three and a half million people depend for security. We also have our duty as citizens, of course; we have to think about war and how to win it. But as citizens and credit unionists we have a moral obligation to the eighty-five per cent who can't get credit when they need it except at back-breaking rates. We have an obligation to the people who are unable to save money without credit union assistance. Credit unions are a safeguard for us, a safeguard for our neighbors and a safeguard for the world in which our children will live.

Many of us have one-track minds. It is hard to think about war and credit unions at the same time. But we will learn, as the British have learned, that you don't win a war on one front. You have to fight on all fronts at once.

THE BRIDGE

A Monthly Magazine Devoted to the Credit Union Movement

Volume 6

FEBRUARY, 1942

Number 12

New Ruling by Treasury Department on Defense Bond Sales

A NEW ruling by the United States Treasury on the sale of Defense Bonds by State-chartered credit unions removes technical obstacles that have hampered this activity in some States.

The present ruling provides that State-chartered groups may sell bonds if no objection is entered by State supervisory bodies. The former ruling called for a statement that the credit union law permitted credit unions to take part in such a program; this statement some banking departments were reluctant to make, since in most cases the credit union law omits any reference to Federal bond sales.

The Treasury's new position is outlined in a telegram which was sent

to the Federal Reserve Banks: To Presidents, Federal Reserve Banks:

Treasury understands that credit unions operating under State laws and subject to supervision by State authorities in certain States are unable to secure unqualified certification by supervising State authorities to the effect that such associations have authority under existing charters to qualify as issuing agents in accordance with terms of Treasury circular 657.

Accordingly conditions outlined Treasury telegram of May 13, 1941 are modified and your bank is hereby authorized to qualify credit unions operating under State laws upon receipt of statement from supervising State authorities to the effect that such au-

thorities will interpose no objection to qualification of credit unions under their supervision. All other terms of Treasury circular 657 must be complied with by subject credit unions.

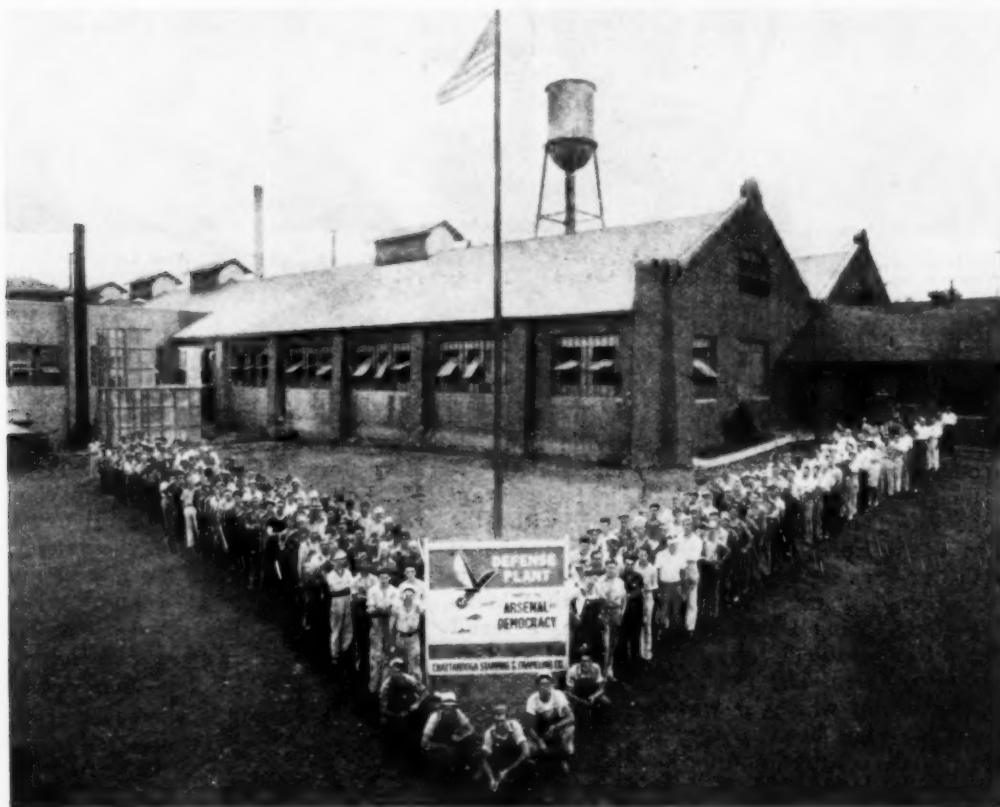
Since State supervisory bodies are no longer called upon to interpret the law, it seems unlikely that it will be difficult now in any state to obtain permission to qualify as issuing agents. Managing Directors of Leagues in States where permission had been withheld are acquainted with the latest facts, and several States have already reversed their previous decisions.

Supreme Court voids Georgia law on debts

A GEORGIA law making it a criminal offense to fail to repay either in work or money a debt owed to an employer, has been declared unconstitutional by the United States Supreme Court in an unanimous decision reversing several Georgia courts.

The principal in the case was a Georgia negro, Ira Taylor. Taylor had rented a house for \$4 a month, failed to pay the rent for three months and was arrested. An employer testified that he paid the Sheriff's costs, obtained Taylor's release and advanced him \$19.50 on his promise to work out his debt by helping build a house at \$1.25 a day.

Taylor failed to keep the contract and under the Georgia law was arrested as a "common cheat and swindler." He was not permitted to testify under oath, but entered an unsworn statement denying that he had made the agreement or that the plaintiff had paid him the \$19.50. A decision against Taylor was rendered by the Georgia Supreme Court.



The ChattEnamels Employees Credit Union, Chattanooga, was organized six days after Regulation W went into effect. It had a potential membership of 240. In less than three months, it had 227 members and assets of \$2,500. The Chattanooga Stamping and Enameling Company, in which the credit union is organized, manufactures defense signs like that shown in the picture.

Justice Byrnes, speaking for the United States Supreme Court, said—

"One who has received an advance on a contract for services which he is unable to repay is bound by the threat of penal sanction to remain at his employment until the debt has been discharged. Such coerced labor is peonage.

"Peonage is a form of involuntary servitude within the meaning of the Thirteenth Amendment and the Congressional Act of 1867 is an appropriate implementation of that amendment. The sections of the Georgia Code are repugnant to the Thirteenth Amendment and the Act of 1867, and the conviction must therefore be reversed."

Filene Fund Complete

Crowded out of the headlines by war news is the fact that the fund for Filene House has passed \$150,000.

This was the goal set at the time the drive for money began. How much delay there will be due to priority problems is not known at pres-

New Credit Unions in December

Fifty-five new credit unions in the United States have been reported for December. Thirty-two credit unions are reported as newly affiliated with their State Leagues.

ent. Work on plans has gone ahead, and building will be started as soon as possible consistent with the national emergency.

Federal Section to Chicago?

The entire office of the Farm Credit Administration, including presumably the Credit Union Section, will be moved from Washington to Chicago to make room for organizations more intimately concerned with war problems, it was reported last month by "Washington Merry-Go-Round," syndicated column of news from the national capital.

Milton Rygh, assistant director of

the Credit Union Section, informs THE BRIDGE that no order to that effect has yet been received.

Status of Japanese

A ruling by the Treasury Department on funds of Japanese nationals in this country relaxes earlier restrictions. As things now stand, Japanese who have resided continuously in the mainland United States since June 17, 1940, are permitted to carry on business operations, including making and withdrawing deposits in credit unions and negotiating loans. Credit unions are not required to make any reports on such Japanese members.

Education Committees Note

Bound volumes of THE BRIDGE for 1941, twelve issues in convenient reference form, are available for \$3 apiece. Write to Business Manager, THE BRIDGE, Raiffeisen House, Madison, Wisconsin.



Richard Archer
Minnesota League



Hurst Owen, Jr.
Virginia League



B. Latcher Webster
North Carolina League



James R. DeLay
Georgia League



Alan Lonsdale
New Jersey League

Leagues Make Appointments

HURST Owen, Jr., has been appointed Managing Director of the Virginia Credit Union League. Mr. Owen came up through the Virginia Maid Credit Union, has been Managing Director of the North Carolina-Virginia regional association, brought his two-state territory along in such shape that the association has now dissolved and each State now stands in need of a Managing Director of its own.

The new Managing Director for North Carolina is B. Latcher Webster. Mr. Webster was born in North Carolina, attended the University of North Carolina, played college basketball and semi-pro baseball. He has

worked with the Leaksville Y.M.C.A. as assistant secretary and athletic director, with Marshall Field as assistant employment agent and with the North Carolina Industrial Commission as safety supervisor.

James R. DeLay is another Managing Director appointed as a result of the dissolving of a regional association. The Florida-Georgia association, of which he was Managing Director, has been reorganized into two State Leagues, and the Georgia League has retained Mr. DeLay as Managing Director. An appointment by the Florida Credit Union League will be made about February 1.

Alan Lonsdale has been appointed

assistant managing director for the New Jersey Credit Union League. Mr. Lonsdale helped found the Warren County Teachers Federal Credit Union and served as its first president. Later he served four years as its treasurer. He has also been president and director of the chapter. He has a Master of Arts degree from Columbia, a Master of Education degree from Rutgers and is a member of the honor societies, Phi Beta Kappa and Phi Delta Kappa.

Richard Archer's appointment as assistant to the managing director in Minnesota was announced in the January BRIDGE.



William Reid, President of the Credit Union National Association

CREDIT UNION MEN *buy* DEFENSE BONDS



Roy F. Bergengren,
CUNA Managing Director (at right)



Thomas W. Doig, assistant managing director of CUNA (at right)



W. L. Vandenburg,
Managing Director, Kentucky Credit Union League (at left)



Cliff Skorstad, CUNA field man (at right)

Karl S. Little, National Director from Utah (at left)



Do you need

AIR-RAID PROTECTION?

If your credit union is in an area open to bombing, you may need duplicate records

By Edward L. Shanney

WE who live on the coastline, either on the Atlantic or on the Pacific, may some day be subject to bombing. The Pearl Harbor incident was a shock to the nation, and it brought home to the citizens of the United States the necessity for preparedness. Consequently, it behooves us to make a study of the situation and protect the lives of credit union employees, the records of the credit union and the funds entrusted to us.

In the first instance, the treasurer of the credit union, who in most cases is the general manager of the credit union's activities, should consult his local air raid warden for general instructions to be followed in case of bombing. He should likewise provide some place for the employees to retire that will give adequate protection against injury or loss of life.

In many credit unions, particularly the industrial type, they have payroll deductions; and in such cases the passbooks of all members are seldom posted to date. You can appreciate that if the ledger records and the membership cards, which seem to be the key records of the credit union, were destroyed, it would be very difficult indeed to do business afterward. In fact, if a conflagration resulted from a bombing, it might be that the records would be entirely destroyed.

It is also true that considerable difficulty would be experienced by a credit union which receives the repayments of loans and deposits on accounts in cash over the counter. While the passbooks in this case would be in a better condition to allow a credit union to renew business, yet one of the vital key records—the membership cards—would in all probability be destroyed.

It is probably not possible to provide 100 per cent protection of records, but I believe that every credit union in the threatened areas should prepare duplication of key records such as membership cards, records of collateral pledged to loans, mortgage

notes on real estate loans, notes covering modernization loans, members' ledger records and monthly statements of the general records.

Having this in mind, we of the Telephone Workers' Credit Union looked around to see what we could do in the way of making duplicate records, and we found there were two processes of creating duplications. One is by photostatic copy, the other the recorder—a process similar to a moving picture film where the records are set in a machine and photographed. After the latter is completed, you have a reel similar to a

moving picture reel, which can be deposited in a safety deposit box for safekeeping at a location other than that of the credit union.

The drawback to the picture film method is that it has to be reproduced on a screen and copied by a typist as it appears on the screen. While the initial step is less costly, to complete the job in its entirety on a reproduction of records is more expensive than photostating.

Therefore, we considered photostating our membership cards on a nine-by-twenty-four sheet. Inasmuch as the card itself is reduced to one-half size in the operation, it is possible to have approximately fifty cards on a sheet, with enough space provided to put them and put them in a temporary file if necessary.

YOU will no doubt note that by this method we have a complete copy of the membership card plus the member's signature, which is essential in the conduct of our business. After the membership cards have been photostated, all new membership cards should be made in duplicate and the duplicate filed with the photostated copies.

(Continued on page 45)

Shanney on Massachusetts Defense Bond Committee

EDWARD L. SHANNEY,

whose article on air-raid precautions for credit unions appears on this page, is the only credit union leader serving on a State Defense Bond Committee. He was recommended for service on the Massachusetts committee by Chairman Daniel Doherty and appointed by Secretary of the Treasury Morgenthau. Mr. Shanney was selected specifically because of his credit union activities.

He is President and manager of the Telephone Workers' Credit Union of Boston, a member of the Board of Directors of CUNA Mutual Insurance Society and a CUNA National Director.

"Credit unions have a field in the sale of Defense Bonds," says Mr. Shanney, "and I strongly urge that the credit unions who may qualify immediately take steps to become



E. L. Shanney

issuing agents for the Federal Reserve Bank.

"In our State we had a little difficulty convincing the Banking Department that credit unions were qualified to sell Defense Bonds. However, this situation has been overcome, and it is now permissible in Massachusetts for credit unions having assets of \$50,000 or more to apply for licensing.

"Defense Bonds Series E are not legal investment for corporations in Massachusetts, but because of the amount of money we are carrying in our checking account at no interest, we decided to make an outright purchase for a reasonable amount to meet the demands of members in lieu of pledging any collateral. We are carrying the purchase of these Bonds as an asset, very much the same as cash on hand. The account is designated as 'U. S. Defense Bonds for Sale to Members.'

"After the announcement that we had become an issuing agent, subscriptions were numerous, and we were forced to increase our allotment from \$3,600 to \$13,900 with replacements each week, making it possible to keep abreast of sales. The total bond sales since we became an issuing agent amount to \$11,925."

The duties of the Massachusetts Defense Bond Committee include organizing representative groups for bond sales, talks to groups and publicity.

The year's end shows 1,107 new credit unions organized and a total of 9,886 operating in the United States

'41 Credit Union Figures

THE total number of credit unions in the United States and Hawaii reached a figure of 9,886 at the end of 1941, according to reports received by the Credit Union National Association. The number of credit unions organized during 1941 totaled 1,107, a decline from the 1940 figure, which was 1,362.

New loans made by credit unions reached record volume during May, according to Department of Commerce estimates, when \$35,300,000 was loaned by credit unions in the United States. Loan balances outstanding reached a peak of \$222,400,000 in August, according to the same source. Both figures have declined since last

summer, due to Government regulation of consumer credit, war and normal seasonal trends.

Figures for Canada are not readily available. From the three Provincial Leagues affiliated with CUNA, reports show Ontario with 65 new credit unions in 1941, a total of 81 credit unions in operation and 23 affiliated with the League; British Columbia organized 33 credit unions in 1941, bringing the total in the Province to 71, of which 51 are League affiliates; Nova Scotia reports 7 new credit unions, for a total of 201, with 145 League members.

The fact that 250 fewer credit unions were organized in 1941 than in 1940

cannot be attributed wholly or even substantially to restrictions on consumer credit. A comparison of organizations, month by month, for 1940 and 1941 reveals that 1941 fell behind the year preceding almost every month. The peak month for 1940 was May, when 209 credit unions were reported; the best 1941 could show was 125 credit unions for April and September.

Monthly Record of Credit Union Organization

Month	1940	1941
Jan.	127	89
Feb.	118	103
Mar.	110	116
Apr.	129	125
May	209	94
June	108	99
July	140	109
Aug.	112	80
Sept.	62	125
Oct.	81	93
Nov.	89	105
Dec.	70	55

States in which more credit unions were organized in 1941 than in 1940 were Arizona, Arkansas, Delaware, District of Columbia, Florida, Idaho, Illinois, Iowa, Louisiana, Maine, Mississippi, Montana, South Dakota, Utah, Vermont, Washington. Of these, only Illinois, Iowa and Washington have more than 200 credit unions apiece; in other words, the States which show advances are mostly States which have not been aggressively organized in the past. States that are considered strong credit union States—New York, Ohio, Pennsylvania, California, Massachusetts, Missouri, Wisconsin—all seem to show a slackening of effort.

New York State still leads the rest in total number of credit unions with 839, though closely followed by Illinois with 825. Comparing States as to leadership in this respect, it is interesting to note the changes in position from year to year: New York, Ohio, Illinois, Wisconsin and Pennsylvania are consistently in the first five. The only steady trend seems to be the downward movement of Wisconsin, which was third in 1939, fourth in 1940 and now is fifth.

It is not fair, however, to compare

STATES	New Credit Unions			Total Credit Unions	
	1939	1940	1941	1941	TOTAL CUNA AFFILIATES
ALABAMA	14	10	9	107	40
ARIZONA	2	1	2	24	16
ARKANSAS	9	3	6	38	17
CALIFORNIA	53	53	48	459	301
COLORADO	10	7	5	110	67
CONNECTICUT	22	35	13	191	142
DELAWARE	1	..	1	12	6
DISTRICT OF COLUMBIA	7	4	9	118	..
FLORIDA	27	24	27	183	132
GEORGIA	19	28	8	150	98
HAWAII	10	7	3	97	73
IDAHO	4	4	5	40	32
ILLINOIS	102	82	98	825	663
INDIANA	40	59	27	309	198
IOWA	18	14	26	230	185
KANSAS	23	31	19	153	116
KENTUCKY	17	28	11	135	105
LOUISIANA	14	16	22	123	82
MAINE	5	5	6	38	19
MARYLAND	7	14	5	71	51
MASSACHUSETTS	50	52	43	551	103
MICHIGAN	15	48	28	268	233
MINNESOTA	57	44	19	379	344
MISSISSIPPI	1	1	5	26	13
MISSOURI	65	45	41	414	333
MONTANA	4	8	11	41	19
NEBRASKA	9	27	10	114	48
NEVADA	1	2	..	6	4
NEW HAMPSHIRE	3	2	1	18	3
NEW JERSEY	34	31	29	260	241
NEW MEXICO	..	2	..	12	2
NEW YORK	116	164	112	839	611
NORTH CAROLINA	31	26	22	167	119
NORTH DAKOTA	15	35	34	112	76
OHIO	121	117	116	707	645
OKLAHOMA	15	23	8	81	56
OREGON	7	12	9	80	68
PENNSYLVANIA	78	84	74	624	374
RHODE ISLAND	3	6	3	34	23
SOUTH CAROLINA	4	13	11	50	32
SOUTH DAKOTA	3	5	11	33	13
TENNESSEE	9	16	16	137	82
TEXAS	54	70	46	409	257
UTAH	3	5	12	61	47
VERMONT	1	..	2	5	3
VIRGINIA	10	16	16	105	81
WASHINGTON	37	30	32	244	210
WEST VIRGINIA	14	10	10	69	41
WISCONSIN	50	40	36	608	501
WYOMING	1	3	..	19	8
TOTALS	1,215	1,362	1,107	9,886	6,933

* No report

the States purely on the basis of size. Many States have limited potential membership; many have had credit union laws for a short period of time. To rate a State's 1941 record as a percentage of its 1940 record may not be entirely fair either, but it gives some indication of the trend within the State. On this basis, some of our least-organized States show up best—Mississippi, Utah, District of Columbia, South Dakota, Arizona and Arkansas. The States which show up poorly in this comparison are also not the most extensively organized, however, indicating that once a certain size is reached, fluctuations in organizational effort become less marked.

This is the first year that any trustworthy estimate of loan volume on a month-by-month basis has been available. The estimates of the Department of Commerce are based on a large sample taken by questionnaire. The new loans and loan balances given here for November and December 1941 are the department's preliminary estimates; final estimates will be forthcoming about the time you receive this issue.

Otherwise the figures are complete, and they reveal a steadily progressing movement up to September 1. New loans have fallen since then, with minor fluctuations; loan balances have dropped steadily. There will doubtless continue to be a downward trend for some time until the full effect of Regulation W and war conditions is felt, when the figures will level off. Note that the downward trend is exaggerated, however, by the seasonal trend, which is normally downward during the fall months.

There is no need to feel concern about the downward trend due to emergency conditions. If there is any cause for alarm in these figures, it is that organizational efforts had already been lagging long before anybody suspected there would be a Regulation W or a Pearl Harbor. What were the reasons for this is anybody's guess.

On Regional Associations

The Florida and Georgia Credit Union Leagues, long sharing a Managing Director through a Regional Association, have come along well enough for each to employ its own Managing Director. Queried by THE BRIDGE about the value of the Regional Association now dissolved, Travis L. Story, President of the Georgia Credit Union League, writes—

"The Florida-Georgia Regional Credit Union Association was a very satisfactory arrangement for two

Leading States New Credit Unions Organized

1939	1940	1941
Ohio121	New York.....164	Ohio116
New York.....116	Ohio117	New York.....112
Illinois102	Penna.84	Illinois98
Penna.78	Illinois82	Penna.74
Missouri65	Texas70	California48

Leading States Total Credit Unions

1939	1940	1941
Illinois666	New York.....758	New York.....839
New York.....643	Illinois736	Illinois825
Wisconsin575	Ohio601	Ohio707
Penna.511	Wisconsin590	Penna.624
Ohio505	Penna.565	Wisconsin608

Leading States Rate of Organization Compared With Previous Year

1940	1941
S. Carolina225%	Mississippi500%
Michigan220%	Utah240%
Nebraska200%	D. of C.225%
Wyoming200%	S. Dakota.....220%
N. Dakota.....133%	Arizona }200%
	Arkansas }

Trailing States Rate of Organization Compared With Previous Year

1940	1941
Arkansas33%	Georgia29%
Arizona50%	Oklahoma35%
D. of C.57%	Maryland36%
New Hampshire.....66%	Connecticut37%
Missouri69%	Nebraska37%

Note: States in which no credit unions were organized during a given year could not be figured in this tabulation. No credit unions were organized in Delaware in 1940, Nevada in 1941, New Mexico in 1939 and 1941, Vermont in 1940 and Wyoming in 1941.

Credit Union Loan Volume

	New Loans (1941)	New Loans (1940)	Loan Balances (1941)
Jan.	\$25,200,000	\$21,000,000	\$188,000,000
Feb.	26,400,000	22,400,000	190,000,000
Mar.	31,800,000	28,900,000	195,400,000
Apr.	34,300,000	27,800,000	203,200,000
May	35,300,000	30,500,000	210,200,000
June	32,700,000	29,000,000	216,100,000
July	30,800,000	27,500,000	219,800,000
Aug.	29,600,000	27,500,000	222,400,000
Sept.	24,000,000	24,900,000	220,500,000
Oct.	25,200,000	26,500,000	217,700,000
Nov.	22,000,000	25,100,000	214,200,000
Dec.	24,500,000	29,000,000	211,200,000

Credit Union Leagues who were unable to afford a full-time Managing Director. During the time we had this Regional Association, each League grew to such an extent that we can now have our individual full-time Managing Directors or field representatives. The Georgia Credit Union League feels that we have more than received our money's worth from this arrangement, and that such an arrangement would be beneficial to all other Leagues who were in the position we were in before we formed the Regional."

Financing Auto Repairs

With the financing of new cars shrinking to a trickle, big finance houses in the automotive field are looking for a way to keep busy. General Motors Acceptance Corporation, Commercial Investment Trust, Commercial Credit Corporation and Universal Credit Corporation are going after automobile repairs financing. Repair bills up to \$200, including the purchase of accessories like heaters, radios and fog lights, are covered in the latest finance company programs.



The first office of the New York Central System Employees Buffalo Federal Credit Union was in this restaurant.

the nearest place where we could get space at a cost within our means, was in a little restaurant about a quarter-mile away.

Here, in a space directly at the front window in full view of passers by, we started working six years ago. Credit union business was carried on to the accompaniment of the clash of dishes and the chatting of trainmen, who dropped in to eat after completing their run.

There was such a lack of the confidential spirit necessary for successful operation that our initial progress was slow and unsatisfactory. After a month of this, we resolved to locate in the Terminal.

For many years there operated in the Terminal in Buffalo, and in other places on the New York Central System, a personal loan company charging the rate of interest permitted in New York State—2½ or 3 per cent on unpaid balance on loans not exceeding \$300.

This corporation, started by former employees of the railroad, was doing a thriving business, at first confining itself to railroad employees only, later expanding to include any salaried person regardless of employment. Its location on company property and the very name under which it operated lent credence to the impression that it was an integral unit of the railroad. Presumably this loan company resented the intrusion of the credit union into a field of finance which it regarded as its exclusive territory,

The Twentieth Century Limited

Buffalo Railroad Men

have convinced the New York Central management of the value of credit unions

By Thomas A. Mahoney

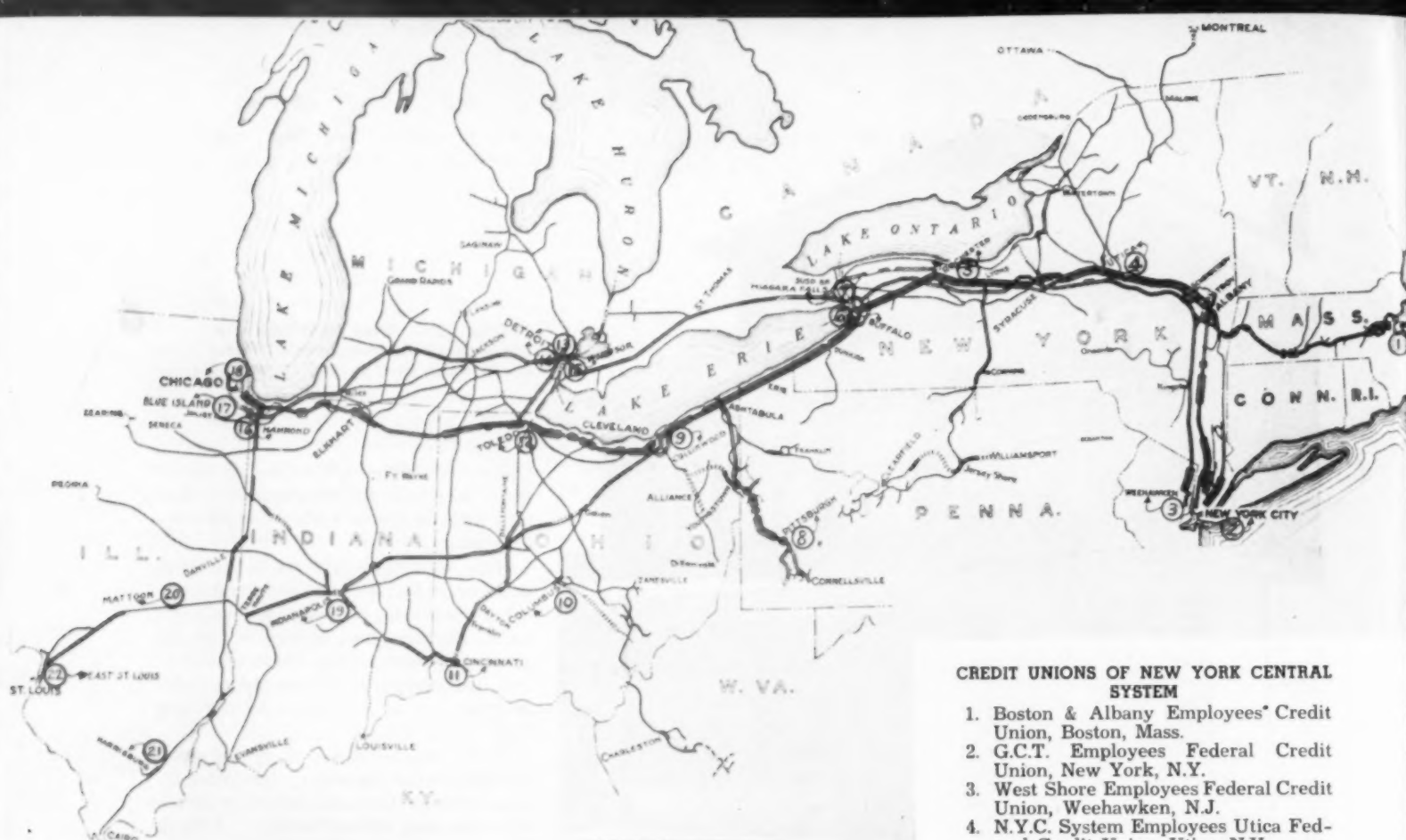
Director at Large
New York Credit Union League

UNTIL recently, the New York Central System Buffalo Employees Federal Credit Union was retarded in its growth by lack of company recognition. The management for too long chose to overlook

the fact that we were an employee-owned, operated and controlled organization.

Our first difficulty was in finding suitable quarters conveniently located for the employees. The Central Terminal, headquarters for the company in Buffalo, stands almost by itself; and





and quite naturally it made our operation as difficult as possible.

It will always be a source of enjoyment to recall a bit of sincere advice imparted to me shortly after the credit union was started. A very good friend called one day and in considerable agitation wanted to know in what kind of wild adventure I had become involved.

As far as he knew, it was some sort of loan agency operating in direct competition with the one located in the Terminal. Patiently it was explained to him the aims, purposes and hopes of the credit union. The explanation was received with contempt and the admonition to "take care of yourself and never mind the other guy."

In vain he was told that it was not so much trying to be a good fellow and take care of others as it was trying to build up something cooperatively that could be used by all ordinary employees, such as myself, in time of need. His parting advice was to clear out as quickly as possible because he had it from a reliable source that our existence was not to be tolerated.

The climax to the anecdote is that a short time later this good friend was in need of a loan, and we held special meetings to rush through his membership and loan applications.

When we leased space in the Terminal, the terms made to us were the same as to any outside organization or corporation desiring quarters in the

building. We paid the going rate the same as any others. But we found that our membership increased somewhat faster. While there never has been a time in our history when membership came in leaps and bounds, from that time on we enjoyed a steady, gratifying growth.

Last June the New York Central management called a meeting of representatives of all credit unions now in existence throughout the System. Twenty responded, and they heard outlined a policy of close cooperation and practical encouragement to all credit unions from the officials of the railroad. The company intends to encourage credit union operation and wants to see that every employee has an opportunity to join a credit union somewhere on the System.

THE present attitude of the company is best described in a statement by Carleton W. Meyer, assistant to the President, New York Central System. Mr. Meyer's task was to investigate credit unions operating both on the New York Central and on other railroads, and his findings helped considerably in having the company adopt its present policy.

"Early in 1941," he reported, "information was brought to one of the company's officers that many employees were burdened with extensive borrowings, often from high interest-rate lenders. Investigation disclosed a disturbing situation; garnishments and assignments were altogether too

CREDIT UNIONS OF NEW YORK CENTRAL SYSTEM

1. Boston & Albany Employees' Credit Union, Boston, Mass.
2. G.C.T. Employees Federal Credit Union, New York, N.Y.
3. West Shore Employees Federal Credit Union, Weehawken, N.J.
4. N.Y.C. System Employees Utica Federal Credit Union, Utica, N.Y.
5. N.Y.C. Employees (Rochester District) Credit Union, Rochester, N.Y.
6. N.Y.C. System Employees Buffalo Federal Credit Union, Buffalo, N.Y.
7. Niagara Falls New York Central Employees Credit Union, Niagara Falls, N.Y.
8. Pittsburgh & Lake Erie R.R. Employees Federal Credit Union, Pittsburgh, Pa.
9. The Nycoll Credit Union, Inc., Collinwood, O.
10. Ohio Central Div. N.Y.C. Employees Federal Credit Union, Columbus, O.
11. Cincinnati Big Four Ry. Credit Union, Inc., Cincinnati, O.
12. NYCRR Employees Stanley Yards Toledo Federal Credit Union, Toledo, O.
13. Railway Clerks Lodge 1192 Credit Union, Detroit, Mich.
14. Michigan Central Detroit Credit Union, Detroit, Mich.
15. NYCRR Employees (Windsor) Credit Union, Ltd., Windsor, Ont.
16. Indiana Harbor Belt R.R. Employees Federal Credit Union, Hammond, Ind.
17. Indiana Harbor Belt Employees Credit Union (Blue Island), Ill.
18. N.Y.C. System Western Divisions Employees Credit Union (Chicago), Ill.
19. Big Four Railway Employees Credit Union, Indianapolis, Ind.
20. Mattoon Big Four Employees Credit Union, Mattoon, Ill.
21. New York Central Employees Credit Union, Harrisburg, Ill.
22. New York Central Employees' Credit Union, E. St. Louis, Ill.

numerous, and there was every indication that the happiness and efficiency of many employees were being impaired.

"When the facts were put before the President of the company, Mr. Williamson, he appointed a committee of six executive officers to make rec-

ommendations. Only one member of the committee had had any experience with credit unions, and the whole story about the credit union was new to the company's officers. Inquiry soon revealed a wealth of information about credit unions and revealed that a policy of cooperation with employee credit unions had been successfully followed by many large corporations. It was also found that about eighteen or twenty credit unions had already been established by New York Central employees, in most cases without any cooperation whatever from company officers.

"At Boston, where the company's regional officers had given full cooperation to the Boston & Albany Employees Credit Union for some years, records showed that a spectacular drop in the number of garnishments accompanied the growth of the credit union. The same experience was noted at Buffalo, where the credit union's record was more remarkable because it was achieved without company cooperation. The other credit unions on the System, all comparatively small, were found to be run by unselfish and conscientious officers and to be doing a good job, although hindered by lack of company cooperation and lack of capital.

"Those and other available facts convinced the committee that a sympathetic policy by the company toward credit unions was the proper course, and the committee so recommended, accompanying its recommendations with the draft of a statement of policy . . . The company's policy is being administered with every effort to develop for the com-

pany and for its employees the mutual benefits to be derived from widespread membership in sound credit unions. The results have been most gratifying, and the prospect of having over the entire System a group of sound credit unions with capital

adequate to meet the needs of all employees should be realized within a reasonable time."

This attitude has caused the personal loan company that was so firmly entrenched within the ranks of the railroad to vacate its quarters in the Terminal and locate in the business section of Eastside Buffalo, some few miles away. They have changed their name, to remove any possibility of inference that they operate exclusively for the benefit of "Railroad Employees Only."

THERE used to be a popular notion among New York Central employees at Buffalo that in some mysterious way railroad people are different. It was never quite thoroughly explained how they differed, but the fallacy was that even if certain types of organization succeeded among other groups of people, they could not thrive in railroad ranks.

This was one of the first difficulties to be overcome when our credit union was organized. A small group of employees, fully aware of this evil omen, nevertheless were willing to challenge it in a sincere attempt to found an organization owned, operated and controlled by the employees, to be used by them for their own good. Such an organization was badly needed, because railroad employees



Left to right: William B. Smalley, first treasurer; Joseph H. Hertz, present treasurer; Thomas A. Mahoney, president.

became involved in financial difficulties as often as anyone else.

It must be recalled that Railroad Brotherhood Banks in years past had suffered staggering losses, especially during the depression. These grim reminders of unsuccessful financial ventures didn't help the cause any when we started; we met the usual gloomy predictions of failure. A great many people, some of them occupying positions of importance, made droll comments; grizzled veterans, having witnessed many previous attempts like this, smiled knowingly.

I like to recall the first meeting of the credit committee. We met one evening, and the treasurer, Bill Smalley, presented the first application, a loan for \$120. We had twenty-five or thirty dollars on hand, without any immediate prospect of getting more, at least until our membership increased. That meant first to find the money to take care of the loan, then to see that the borrower was the kind of fellow who would pay it back.

We didn't know the first applicant very well, and we wondered whether he would live up to his obligation if the loan were granted. I think all five of us on the committee had visions of keeping him under constant surveillance during the entire period of the loan.

RIGHT then and there we all realized the grave responsibility we had undertaken in assuming charge of the accumulated funds of the employees of the railroad. We saw that it was our task to assist those who were in financial difficulties and at the same time to dispense these funds in a manner prudent and profitable. The first few loans given out by a credit union do more, in my opinion, to acquaint the officers and committee members with the fundamental principles and ideals of credit unionism than any other single phase of operation.

But this revelation of credit union experience made us fully aware of the necessity for education. One of the first valuable lessons learned was that to insure sound development, a credit



Seated, left to right: Mrs. Margaret McNamara, Nelson P. Ryan, Joseph M. Richert, Clerk, Thomas A. Mahoney, Chairman, and Harold W. Schroeder. Standing in the rear: Joseph H. Hertz, treasurer.

union must make friends, not followers. Making true friends means that they will go out and speak kindly of your organization and the good it is trying to do. In this manner, you eventually enlist the aid of a large section of the people who make up the field of membership. A credit union helps to insure success by adopting a policy of thorough education based on experience and giving the benefit of that experience to all the members.

Each year we try to induce as many of the members as possible to serve on committees. This makes them credit union conscious, and gradually they begin to realize that only by working in harmony can success be achieved.

Following out the idea of spreading the knowledge of credit union activity as widely as possible, we early devised a system of collectors and educators within our field of membership. One person was selected from each of the various departments that make up the New York Central System in Buffalo, and they were thoroughly grounded in the fundamentals and principles of the credit union. They acted as collectors and educators within their sections or departments, and distributed all circulars and pamphlets to the employees.

AS SOON as we could afford it, we began to issue a bi-monthly publication, "The Creditarian," containing items of interest about the credit union. This was so well received that we eventually adopted it as the official organ for credit union news. It is now a regular feature and enjoys wide distribution throughout the membership.

Our offices at 701 Central Terminal are open each business day, with a full-time office force of three clerks to take care of the manifold duties involved in handling the routine transactions of nearly three thousand members. Since our beginning on January 13, 1936, our members have accumulated share holdings and other assets of close to a quarter of a million dollars.

During November 1941 the credit committee approved a loan which made the total amount of money loaned by this organization since its start an even million dollars. A million dollars loaned out to the membership, with less than six hundred dollars written off as uncollectible. Yet we have rejected but few applicants in establishing this record.

In December the Thrift Club, an organization of credit union members, distributed \$26,000 in Christmas Club checks to the members who set aside this amount during the previous fifty weeks. Our credit union is affiliated with the local Hospital Service Cor-

poration, providing free hospitalization for those who enroll. We have recently been licensed to issue Defense Bonds. We are members of the New York State League and the Credit Union National Association, and enjoy the advantages of loan protection insurance as offered by CUNA Mutual Insurance Society.

Our attitude toward CUNA Mutual's loan protection insurance is one of great relief and satisfaction. Members constantly report that they overcome hesitancy on the part of co-makers when it is explained that all loans are automatically insured by the credit union against death or permanent disability of the borrower.

Today we proudly state the fact that our credit union stands at the head of similar organizations in railroad circles. Some time ago, and perhaps even now, we were recognized as the largest railroad Federal credit union in operation. On the New York Central System we share top honors with the Boston & Albany Railroad Employees Credit Union.

When it is recalled what a task of education it was for the original little band of employees who began this venture, great tribute must be paid to

their courage and vision. They never wavered in their devotion to the credit union and its principles. Men like Bill Smalley, Joe Mangine, Art Buckley and Dick Maranville, who imprinted the mark of their strong characters and rugged personalities upon the earlier struggles; others like John Pax, Virginia Condren, Joe Richert and Nelson Ryan, who are still serving as ardently and devotedly as when they first signed the organization papers. People of such caliber are worth knowing in this world, and it is a happy privilege to be closely associated with them.

No story of this credit union could be truthfully recounted without an expression of appreciation from us to those in the credit union field who gave us the benefit of their valuable experience. Dora Maxwell of the National Association, Ed Hickey of the Credit Union Section and Sidney Stahl of the New York State League were frequent visitors in our early days, and we anxiously presented our problems to them. With such a trio of experts eager to help us, our burden was considerably lightened. They will always be remembered as true friends in time of need.

Coming Events

February 7, 1942

Annual meeting, Kentucky Credit Union League, Louisville

February 13, 14, 1942

Annual meeting, Oregon Mutual Credit League, Portland

February 14, 1942

Annual meeting, Maryland Credit Union League, Southern Hotel, Baltimore

February 14, 15, 1942

Quarterly meeting, board of directors, CUNA Mutual Insurance Society, Portland, Oregon

February 21, 1942

Annual meeting, Arkansas Credit Union League, Little Rock

February 21, 22, 1942

Annual meeting, Louisiana Credit Union League

February 21, 22, 1942

Quarterly meeting, board of directors, CUNA Supply Cooperative, Madison, Wisconsin

March 7, 8, 1942

Annual meeting, Nebraska Credit Union League, Hotel Lincoln, Lincoln

March 7, 8, 1942

Annual meeting, Oklahoma Credit Union League, Tulsa

March 13, 14, 15, 1942

Annual meeting, Kansas Credit Union League, Hotel Allis, Wichita

March 20, 21, 22, 1942

Annual meeting, California Credit Union League, Hilton Hotel, Long Beach

March 20, 21, 22, 1942

Annual meeting, Ohio Credit Union League

March 21, 1942

Annual meeting, Connecticut Credit Union League, Hotel Bond, Hartford

March 27, 28, 1942

Annual meeting, Texas Credit Union League, Blackstone Hotel, Fort Worth

April 10, 11, 1942

Annual meeting, South Dakota Credit Union League, Sioux Falls

April 11, 1942

Annual meeting, Indiana Credit Union League

April 17, 18, 19, 1942

Annual meeting, Missouri Mutual Credit League, Jefferson Hotel, St. Louis

April 18, 1942

Annual meeting, Pennsylvania Credit Union League, Hotel Lawrence, Erie

April 25, 1942

Annual meeting, Tennessee Credit Union League, Patten Hotel, Chattanooga

May 8, 9, 1942

Annual meeting, Minnesota League of Credit Unions, St. Paul

May 15, 16, 1942

Annual meeting, North Dakota Credit Union League, Bismarck

May 23, 1942

Annual meeting, Iowa Credit Union League, Hotel Fort Des Moines, Des Moines

May 23, 24, 1942

Annual meeting, Idaho Credit Union League, Lewiston

June 6, 7, 1942

Annual meeting, Montana Credit Union League

June 12, 13, 1942

Annual meeting, Washington Filene League, Commercial Hotel, Yakima

CUNA in the field:

Credit Unions in the NORTHWEST

By William B. Tenney

CUNA Field Man

WHEN I was assigned to the Northwest, I had only a vague idea of what was ahead of me. I knew it was big, but not how big. I knew it was beautiful, but not how majestic.

After three months here, there are two important facts that stand out. The possibilities of credit union development are perhaps greater than any of us have realized, and the job is just beginning.

The territory contains four States and two Provinces: Washington, Oregon, Idaho, Montana, British Columbia and Alberta. Its area is roughly one-third that of the entire United States. Its population is about one-twenty-fourth that of the United States.

Manufacturing and density of population are both below average. Much of the population is gathered in a few metropolitan centers, and here the credit union movement has made some progress. These centers have by



no means been worked out, but there are indications that much of the development in the future will come from associational, retail, community and rural groups.

WASHINGTON

The Credit Union Act was passed by the Washington legislature in 1933. At present there are 243 credit unions operating, with a membership of about 50,000.

Many industrial credit unions are suffering from growing pains due to the rapid expansion of defense industry in the coastal area. The influx of new employees, the shifting of great numbers of workers from one employer to another, the fact that so many potential members are new—these things have created conditions not usually met with in credit union practice. The credit unions are doing a wonderful job of trying to meet their problems, and the lessons they learn will probably be of value to us all.

Most credit unions continue to grow

steadily and to increase their services to their field of membership. The organization of new credit unions is progressing, and all chapters are being encouraged to adopt a program for coverage in their areas. The Washington Filene League is giving a lot of attention and effort to the development of the League office and the extension of its services.

The League's principal problems are developing an active chapter program; revision of the League by-laws; suggesting changes in the Credit Union Act to the legislature in 1943; improving the audits performed by the State; expanding the duties and services of the office personnel, and developing plans for the annual meeting in 1942. The untiring efforts of C. A. Andrus, President, and Edward Dodd, field secretary, combined with the interest and activity of the other League directors, will soon solve most of these problems.

It is interesting to note that several credit unions in Washington can show attendance records for their annual

meetings that would shame a lot of chapter meetings. The Big "W" Credit Union of Everett has a membership of twelve hundred. Each year they sell six hundred tickets to their annual dinner and are forced to turn down almost three hundred because of lack of space. Many others do almost as well.

OREGON

Efforts at organization of credit unions in Oregon have been weakened by factors beyond the control of the credit unions. The most recent of these difficulties was bitter strife between the A.F. of L. and the C.I.O. for control of the major industries. It engulfed nearly every business enterprise in Portland. The condition was so serious that it was impossible to get action on credit unions or any other outside issue from either the unions or management. The battle has subsided, but it is still necessary to explain the credit union to both labor and management and get the acceptance of each before going further.

The Oregon Law was passed in 1930, but development has been slow. The League and its leaders have been grappling with unfavorable conditions for so long that it is a great wonder they have not given up long ago. At present there are eighty credit unions in Oregon, most of them in Portland.

We held a Volunteer Organizers Club in Portland in October. At the time it seemed only moderately successful. Information now at hand indicates that four or five new credit unions have been organized, and enthusiasm is beginning to flow through the proper channels once more. With just a little more success to feed on, Oregon will be well on its way to solve its most vexing problem.

Plans have been made to hold a meeting of the Board of CUNA Mutual in conjunction with the Oregon League annual meeting, February 14 and 15 in Portland. No doubt the spirit and publicity attending the meeting will help Oregon get under way.

IDAHO

At present there are forty credit unions operating in Idaho. The State is a large sparsely settled area with three widely separated centers of population. Lack of direct transportation between these centers, as well as the great distances involved, creates an obstacle to State-wide unity of effort. The League is still in its infancy and unable to do much in the way of field work. Most of the credit unions show a healthy interest in ad-

vancement and are eager for information.

The immediate problem is organizing more credit unions. This problem will have to be solved before much can be hoped for in the way of development or expansion of the League. George Keller of Idaho Falls is the part-time Managing Director and is doing a splendid job in the time he has available.

The other directors show a keen interest in solving the League's problems and a desire to advance the movement in the State. They voted to hold their annual meeting in Lewiston, May 23 and 24, in an effort to bring the League a little closer to its members in the Panhandle district. My contact with several of the credit unions in the Panhandle indicated that they are anxious to participate in League affairs and to help make the annual meeting a success.

The nature of industry in Idaho, as well as the character of present credit unions, suggests that future development is going to be largely in the parish and rural fields. There are three teacher credit unions at present, and the State Educational Association is actively interested in bringing the credit union to its members. Some action on the matter will be recommended soon by their committee.

MONTANA

Montana has problems similar to those of Idaho. The State covers a large area and has few inhabitants. The centers of population are not so well developed as in Idaho, and the distances are even greater.

To offset this difficulty somewhat, Montana has an active and interested

part-time Managing Director in A. M. Dale. Mr. Dale travels for the Veterans Administration Facility; and since traveling is part of his job, he is able to do a lot for the credit union movement while tending to his regular duties. The League is also fortunate in finding such leaders as Arthur Petersen of Great Falls and Gordon Lingley, along with other directors.

The Montana Law was enacted in 1929, and there are now forty-one credit unions operating in the State. There are both room and need for many more. At the board meeting in Butte on November 1, we organized the Montana Central Credit Union. There are indications that more credit unions will soon be organized.

Montana really has two immediate problems—organization of new credit unions and education of those already in existence. It is unfortunate that CUNA has been unable to give Montana and Idaho more of the educational field-help that they need. These two States have done a creditable job of just growing, but they see their need and are anxious for information on operating principles and practice.

A rapid survey of Montana indicates that many fields for credit union organization are still unopened and many more are not fully covered. The greatest field in the future will probably be in the Farmers Union and the farm cooperatives. These organizations are increasing in number, and so are credit unions formed within them.

ALBERTA

Credit union development is just beginning in Alberta; the Law was passed in 1939 and there are now fifty credit unions chartered. This rapid development is interesting in light of the fact that they make wide use of the study-club method of organization.

The two principal reasons for rapid growth in Alberta are, first, the more active interest on the part of the Provincial Government and, second, the growing acceptance of the cooperative movement as a whole. The Provincial Government is very active both in organization and in supervision of credit unions through the Department of Cooperative Activities. Various forms of producers' and consumer co-ops are more numerous in Alberta than in many other sections, and this has produced a receptive state of mind toward credit unions as a part of the cooperative movement. The Alberta League has just been formed and will hold its first directors' meeting in the spring.



On Sale at your Post Office
or Credit Union

Alberta is another sparsely settled large area. There are two centers of population, and as usual most of the credit unions are in those cities. Much of the future growth must come from the rural areas, and definite steps are already being taken in that direction. There are vast sections of the Province where farming is the only industry, and even that is confined to one crop. Credit unions formed in those areas will have some interesting and difficult problems to work out with regard to large credit needs and seasonal incomes. Much assistance is being given in the rural areas by the Extension Department of the University of Alberta. This department operates under a Government grant and is designed for education along practical lines for rural people.

Most credit unions in Alberta are small judged by total assets. This is not surprising, since their law was passed only recently. The important thing about all the credit unions I have contacted is the deep interest in the service they can give their members and the thirst for information that will help them extend their service. Constructive thinking and fine leadership is evidenced by C. D. Denney, Supervisor of Cooperative Activities for the Province, Charles Dredge of Calgary, and many other active credit unionists.

BRITISH COLUMBIA

British Columbia is larger in area than Washington, Oregon, Idaho, California and Nevada combined, and has a total population of 760,000. Fortunately for the field worker, the greater part of the population is in Vancouver and Victoria. The Credit Union Law was enacted in December 1938, and there are now seventy-one credit unions in operation. There is an active, functioning League rendering all the services possible and striving to accomplish more, although at present there is no Managing Director and field work is limited. Nevertheless, the League is doing a first-class job that speaks highly of the leadership of A. L. Nicholas, President; E. K. DeBeck, Provincial Supervisor; Tom Switzer, assistant supervisor; Harold Pocock, League secretary, and many others.

We conducted a total of twenty-one meetings during my six-day stay in British Columbia, ranging from conferences with one or two persons to general meetings of some hundred persons. Most impressive was the clear indication that those present were intensely interested in the future advancement of the credit union movement.

There were some practices brought

out in discussions with credit union boards that were not entirely in keeping with sound credit union philosophy, but they readily admitted the condition and told how they planned to correct it or asked how it could best be corrected. In one case, a credit union was making pay-day loans from a petty cash fund. It was explained that prior to the formation of the credit union there were six loan companies deriving the major part of their business from such loans to the employees of that particular firm. Since the credit union began operation, four of these companies have retired from the pay-day loan business and the other two are weakened. Further discussion produced a plan whereby such loans could ultimately be eliminated by conversion to a regular loan without much danger of returning the business to the loan companies.

The Extension Department of the University of British Columbia is working with the League in a manner similar to the University of Alberta, except that British Columbian activities are designed to help fishermen along the coast and in the Queen Charlotte Islands. The work of this Department, with the work of the League, will help a lot.

LOOKING AHEAD

The announcement of war came in the closing minutes of a Washington League board meeting in Tacoma. Much had been accomplished in that meeting toward a brighter future. The war was accepted rather quietly, almost as though the shock of the facts had deadened realization of what it all meant.

As the meeting adjourned, a wave of excited conversation swelled up. Watching the faces about me, I could see this reaction fade and an expression of calm determination replace it.

In the past few weeks all our plans have been upset by the Civilian Defense Program. Large meetings have been prohibited, alerts and blackouts may disrupt any meeting. We will have more than that to contend with. As I sit here I can hear the awesome wail of an air raid siren being tested.

Our first task is to do our full share in winning the war, whatever it may require. Our second is to bring our credit unions through the war in a condition that will enable us to assume our full share of the responsibilities for reconstruction that are bound to follow the war. I fully believe that the determined look that came over the faces of the Washington board in Tacoma on December 7 is an indication of how we will do our part.

Weidler and McKeever Praise Book

YOU *Pay and You Pay*, the book by Maurice Goldman in which the licensed high-rate lenders are critically examined, draws enthusiastic praise from two members of the CUNA Executive Committee—Albert G. Weidler and Charles W. McKeever.

"We owe much," writes Dr. Weidler, "to men like Brandeis, Berman, Gilbert, Taylor, and to groups like the TNEC, who have investigated specific rackets. But it has taken a crusader like Goldman to corral in a chamber of horrors the whole 'passel' of the 'respectable' agencies posing as friends of the folk of small means."

"Our task has barely begun. Any credit unionist prone to relax his efforts will be jolted out of his lethargy and indifference by the disclosures in this book of the varied and serious legal obstacles in the path of every American citizen who is honestly striving to provide some measure of financial protection and security for himself and his loved ones."

"I want to commend most earnestly the educational department of the Credit Union National Association for putting its stamp of approval on this excellent piece of educational material. In my opinion it is a 'must' book for the library of every credit union and for every credit union officer, and for every loyal citizen who has the welfare of his country at heart."

Mr. McKeever writes, "I have finally found time to complete reading this remarkable book and have found it of great interest. I think that it is the type of book which should be in every credit union library, members urged to read it and they in turn urge their friends to read it. I think the public are very ill-informed about such matters as are covered by Goldman and some method should be devised for their education along this line. Credit unions can serve as one medium."

"I have a long waiting list of persons who desire to read this book and I can assure you that it will serve its purpose with me here."

People who are far down on Executive Director McKeever's waiting list—and any others who are interested—can get their own copies of *You Pay and You Pay* by mailing a check for \$2.50 to CUNA Supply Cooperative, Raiffeisen House, Madison.

Bound volumes of **THE BRIDGE** for 1941 are available at \$3 apiece.

Objectives for '42

What is the biggest job facing the credit union movement in 1942? Readers were asked in the December issue for their views on this subject. The following letters were received in response:

*By Rudolph F. Stahl
New York City*

Your question about "The biggest job ahead" in the December issue of THE BRIDGE has become of much greater importance to all of us credit unionists since the outbreak of the war.

It is not possible to estimate the effect of the war upon our movement. But one thing is sure: Much will depend upon our own effort which we will put in for pursuing the principles of cooperative credit.

Cooperation is more necessary than ever in a time of war, cooperation of all members, not only our officers and committee members. Since many of these will go to the armed forces, there will certainly be a big change in the personnel of the individual credit union. What will become of the credit union? Will we have enough people who are able to substitute those inducted into service?

It seems to me that the most urgent job ahead is the education of our membership in all basic phases of credit union operation. A nation wide program would have to be worked out whereby this education can reach not only the people in the front line, the board-of-directors, and the committees, but the rank-and-file in order to make him fit for work in the front line, if and when there will be need for supplement.

How to reach the rank-and-file, is not easy to work out. But concerted efforts of CUNA, the Leagues and the supervisory bodies should be able to set up this program. CUNA has a definite place in this program and it should take it.

What would be the essentials of this education? It would seem to me that it is nothing else than the things we already have preached all along.

Some of them are:

Know your basic facts of credit union law and by-law,

Develop a sound lending practice,

Keep your books on a sound accounting basis,

Have the supervisory committee function regularly and thoroughly.

New topics will come up in connection with the national defense and the war. Defense Savings Bonds and regulation "W" were only the beginning of these. Much interpretation is needed for our members. Our move-

ment can be and will be a valuable help to our government in bringing its thinking to the masses. And on the other hand it can voice the ideas and hopes of the people and bring it to the government for further action.

*By Lydia Allen DeVilbiss, M.D.
Miami, Florida*

The credit unions can best stick to their own knitting by branching out into several forms of activities for social legislation, adult education and others mentioned in your column.

One of the most important programs for credit unions to foster is cooperative health insurance plans and co-operative group medical associations.

When a credit or several credit unions in one locality have not less than 1000 families, they can form a group health association and so procure for their families full medical and hospital care on the prepayment plan for a median figure of \$3 per month.

For fuller information see Prepayment Medical Plans (25 ct.) published by the Medical Administration Service, 1790 Broadway, New York City.

*By Otto Schuler
New York City*

In the December issue of THE BRIDGE, the question is asked on page 276 about "what is the biggest job ahead for credit unions in 1942," and the suggestion is made that expressions of opinion be sent in for consideration by the National Board of CUNA.

My opinion is that one of the biggest jobs before us as credit union leaders in the respective States, is to use every possible legitimate ways and means to enlist the non-member credit unions into the various State Leagues, and this is especially true in the State of New York.

I know this is a big job, but the results of adding to League membership will mean so much to the component parts of the League, the various credit unions, in the way of reduction of dues, and that means money left in the cash till for distribution to members, in the form of a little more for dividends.

Let us hope that this sincere missionary work among the unaffiliated credit unions shall bear fruit and be

the medium through which the credit union movement, generally, might be further advanced through the education of these new additions to the ranks, with all the privileges and benefits that league membership implies.

THE BRIDGE is doing a splendid job, and the composition of its material is very educational and should prove to be beneficial to its interested readers.

*By Fred Harris
Chicago, Illinois*

If you ask me, the biggest job of the credit union movement is to organize more credit unions. We have been patting ourselves on the back too much and organizing too little. I would like to see a credit union in every city block. The bigger credit unions get, the less their members take an interest in them. Small credit unions are the answer, and plenty of them. The bigger credit unions get, the more the members sit back and let the officers do the work. It gets like the government, where everybody expects George to do it and nobody wants to take any responsibility.

Household Welcomes '42

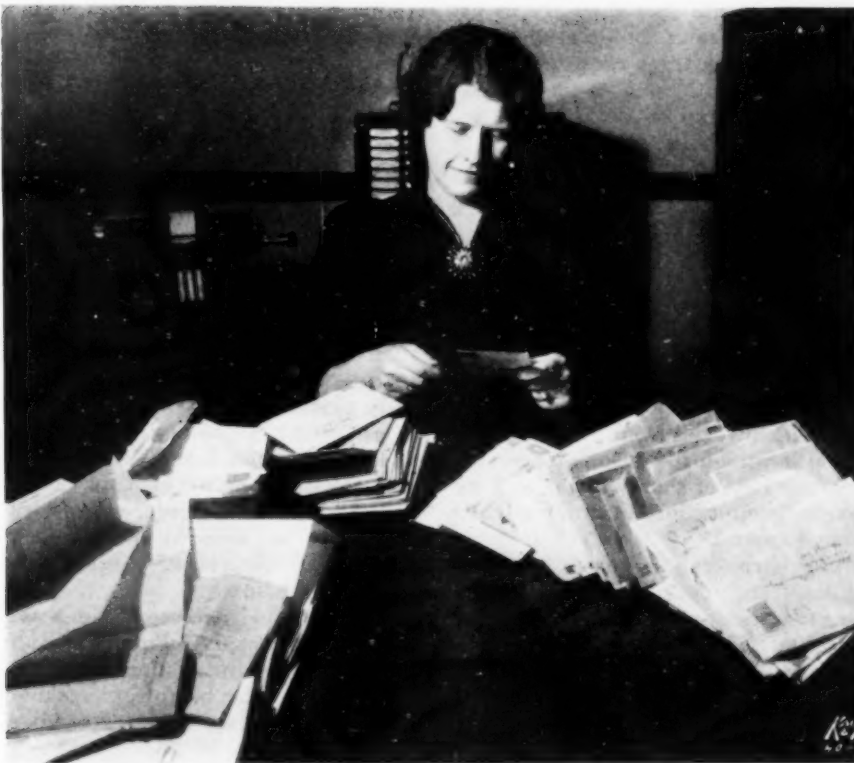
Household Finance Corporation, largest licensed high-rate lender, sees a big year ahead. According to a letter to shareholders, Byrd E. Henderson, President, thinks Regulation W will not affect Household's instalment loan business.

The company's net income for the twelve months ending September 30 was \$5,609,857, or \$6.41 a common share. This business was done through 200 offices in 190 cities.

Ninety-nine percent of the company's assets are customer's notes and cash, Henderson reports. The average balance due is \$128. Henderson bases his favorable forecast for 1942 on record employment levels.

Business Likes Credit Unions

Management Appraises the Credit Union is the title of a 34-page booklet just released by the Federal Credit Union Section. Testimonials from employers make up the larger part of the publication, the rest being given to statistical analysis of answers to such questions as "Has the credit union diminished company loans? garnishments? attachments?" "Has it tended to keep employees out of the hands of high-rate moneylenders?" "Has it built up employee morale?" The answers to these questions are highly favorable.



A day's mail is opened by Mabel Hraha, treasurer of ICUL Credit Union. Central credit union business is largely by correspondence.

Central Credit Unions

(This is the second of two articles on central and officers' credit unions)

THE operating problems of central and officers' credit unions are distinguished from those of the typical local credit union by the fact that membership is more widely scattered and business is transacted to a great extent by mail. The forty-five centrals that have cooperated with *THE BRIDGE* in preparing this study are generally agreed that running a central credit union involves some rather knotty problems.

Yet the steady growth indicated by the article published in our January issue suggests that the need for a clearing house in which credit unions and credit union officers may obtain funds is sufficiently great to overbalance the difficulties.

Of the forty-four centrals that described their field of operations, thirty serve a State-wide area and fourteen serve chapter areas. Twenty-one make loans to officers only, while twenty-three make loans both to officers and to other credit unions.

Among the problems which these credit unions describe as particularly troublesome are three in particular:

- Raising share capital.
- Collecting on loans.

Giving quick service on loan applications.

Of raising capital, one officer remarks, "This is our major problem, and we find ourselves handicapped by lack of ready working capital since the majority of our members place their savings in the credit unions in which they hold office, rather than suffer the inconvenience of mailing a check or money order."

"We are still borrowing considerable sums of money," another reports, "because members do not save regularly with us. They seem to feel, and quite naturally, that their first allegiance is to the credit union in which they hold office. As other credit unions gain materially and have surpluses, this problem becomes less acute with us, for we get the overflow."

IN regard to delinquencies, an officer says, "We have seen it happen a great many times that a treasurer will take many liberties with his loan payments that he would not permit nor sanction in his own credit union. We feel that this is an unfair attitude on the part of officers and that really the central credit union should have no delinquency problem, or at most a

very small one. Officers and committeemen are supposed to understand that there is really no room in the credit union to use a lot of money for collection effort."

As to quick service, one comments, "A factor most discouraging to prospective members seems to be the time required in handling loans by mail and the general inconvenience of a correspondence credit union as compared to the quick action possible in their own credit unions. Since we are trying to cover the whole State, there seems to be no solution to this difficulty. In the hope of helping somewhat, collectors have been appointed in the chapters; but this system does not seem to have clicked yet either. A collector whom you may see once a month at chapter meetings is, of course, not much more handy than an office which must be reached by mail. The biggest problem for the official family of the central has been to devise some method of judging quickly but intelligently the reliability of would-be borrowers without making loan applications so long drawn out that they throw up their hands in disgust."

It will be noted that the chief difficulties are encountered in making loans to officers. The business of making loans to credit unions seems to run smoothly except where working capital is limited.

In obtaining data for this study, a questionnaire was sent to the fifty-two central credit unions listed in CUNA's files. Forty-five replies were received. The questions dealing with statistical material were dealt with in our last issue; ten questions on operating problems remain to be covered here.

IN reply to the query, "How is share capital raised?" only one struck an optimistic note: "We have quite a number who have saved the limit in their own credit unions and now save quite extensively in this one. However, the general membership have improved and are doing very well."

Others reported:

"Usually when a loan application comes in, we have fellow-officers subscribe to a share or two."

"With difficulty. By begging people to join. We have been using borrowed money continuously."

"Contacting officers who might have some extra cash on hand."

"By encouraging savings when repaying loans, advertising the fact that we carry life savings insurance on all share accounts, soliciting share deposits through the League News, encouraging members to save with us when they have the maximum in their credit union."

Eight indicate that they try to get borrowers to save money as they repay their loans; three require it, three request it, with one it is "quasi-compulsory" and one asks for a deposit of one dollar when the loan is made.

Replies to a companion question, "How much borrowing do you do?" indicate that thirty-six borrow or have borrowed, as against seven that have never borrowed. Borrowing varies a good deal, from "Very little" to "Legal limit, 50 per cent of paid-in and unimpaired capital." Ten report frequent borrowing up to the legal limit, which varies from State to State. "State limitation," says one officer, "is to 40 per cent of share capital, and we have to keep it there in order to have enough capital."

"Our borrowing fluctuates," another replies, "and does not always represent a need of capital. The only way that a Federal credit union may share in the Central Credit Union in order to put its money to work is by making a loan to the Central. This is done regardless of whether the Central Credit Union needs money, and the prevailing dividend rate is usually the basis for the rate we shall pay to the Federal credit union."

The question, "Do you make real estate loans?" elicited eight replies of yes and thirty-five of no. "Only FHA insured loans since April 1940," one says, "due to our reaching our quota of first mortgage real estate loans at that time."

"Are delinquencies a problem?"

produced a startling variety of responses. Sixteen replied that delinquencies are not a problem, but the emphasis of the twenty-seven who think they are is often so forceful that you can only bend before the wind and accept their judgment. "More so this year than ever." "A serious problem." "Decidedly." "And how!" "Very much so." "Yes, definitely." These are some of the answers.

One reports, "We have two delinquent loans out of fifty-four loans," quietly tossing the question back in the questioner's teeth. The reply is nicely calculated to bring out an important point: Whether a treasurer thinks his delinquency problem is serious depends on his own subjective standards. The difference between "Not more so than in other credit unions" and "Somewhat" is something you can't measure.

One says, for instance, "We seem always to have some delinquencies, but do not as yet consider them a serious problem since the borrowers usually come through when sent a reminder notice."

ANOTHER: "It's surprising how many credit union officers disregard their obligation to us."

Most seem to be satisfied to use form and individual letters, phone calls where possible and pressure on the fellow-officers of the delinquent borrower. In some cases this pressure is carried pretty far: "Where we are unable to get satisfactory results we turn down all loans in this credit



One hundred sixty Kentucky credit unionists, representing sixty-two credit unions in the Louisville area, attended a recent meeting of the Louisville Credit Union Chapter. The meeting was held at the headquarters of the Stansanco Credit Union, organized by employees of the American Radiator & Standard Sanitary Manufacturing Company. The president of the chapter is C. C. McGuire; the secretary-treasurer is Betty McGuire.

Precision

FOR OUR VICTORY PROGRAM

Who would have expected that a casual interest in a recording device for counting the revolutions of a ship's propeller, as far back as 1879, would ultimately develop into the first accounting machine known as a cash register . . . then later into accounting-bookkeeping machines . . . and now, also into precision products for Army and Navy Ordnance? • But it did happen! . . . And today, in recognition of our achievements in precision manufacturing, the famous U. S. Navy "E" pennant flies from The National Cash Register Company's flagstaff. • We feel justly proud that the highly skilled precision workmanship developed in our factories for over 60 years can be turned into the manufacture of record-making and record-keeping equipment so necessary to speed production and distribution, as well as the Victory ordnance products so vital today.



The National Cash Register Company
DAYTON, OHIO

*Time and labor saving precision products
for retailers, wholesalers, manufacturers,
banks, institutions and government offices.*

★ **HELP U. S. WIN—BUY DEFENSE SAVINGS BONDS** ★

union to other officers and committeemen until the loan is brought up to date. This works in 90 per cent of all cases."

Only seven out of forty-four replying to this question seem to be so aroused by the delinquency problem that legal measures are mentioned as a method of collection. "First," one reports crisply, "notices; second, letters; third, threats to put in an attorney's hands; fourth, attorney; fifth, suit against the borrower and co-makers, and sometimes garnishments."

But most seem to be struggling to find a peaceable way of handling the question. In some cases simple reminder systems have been worked out that keep delinquency to a minimum.

"We have a fairly heavy delinquency problem," one officer writes. "At the present time we have a new system. Our first notice goes out to the member seven days after the payment has failed to come into the office after the due date. There is a second notice that follows that in ten days, and a third follows that in ten days. That gives three notices within twenty-seven days, and after that it becomes a case of writing letters. This system has been in too short a time to judge how much results we are getting, but we have noticed that it is much better than when we went through our loans once a month and sent out notices at that time. Also, this is much simpler to handle, and we firmly believe it will produce excellent results."

EDUCATIONAL activities in central credit unions are on the meager side. There is a fair amount of advertising in league publications, talking at chapter meetings and some mailing of bulletins and special letters. Eight indicate that they have no educational programs at all, although most of these undoubtedly carry on some modest promotion which they prefer not to consider an educational program. The question "What educational activities have brought the best results?" brought the following answers:

"Our new low rates of interest."

"I do not know what to say, only we always find that after each annual meeting and each annual dividend we have more business, which indicates to me that information brings results."

"Mimeographed letters two or three times each year have helped, but it should be done more often."

"Our educational committee sends out notices once every month."

"We send a copy of *Credit Unions—The People's Banks* to every new member."

The annual meetings of central credit unions are of course properly a part of the educational activities. There is a feeling that an officers' credit union ought to set an example to others in all its activities; one officer remarks:

"Annual meeting held in place of regular chapter meeting for January. While only members vote, all credit union leaders in the city are invited, and we endeavor to conduct a model meeting so that they take away ideas for the conduct of their own annual meetings. Meetings are usually held in second week of January to precede majority of local annual meetings."

MANY of the annual meetings are held in conjunction with chapter meetings or State League annual meetings. Under other circumstances attendance is often poor, and in general it must be reported that few attempt to work up social or educational features in connection with the meeting.

One reports, however, "The past two years we have had money provided at the previous annual meeting for a lunch. They have been fairly well attended, and the discussion is much better than I have found at most annual meetings."

Another says, "At our 1941 annual meeting we sent ten tickets for a barbecue dinner to each credit union in the city, asking them to send us a check for \$3.50, charging same to their educational fund, and give each officer and committeeman a ticket, telling them to go to the barbecue and stay for the annual meeting. We had 265 members and relatives present."

Seven officers believe the credit union law should be amended to permit officers to borrow from their own credit unions. Two of these qualify their approval by suggesting that officers be permitted to borrow from their own credit unions up to the limit of their share accounts, and one suggests that if this were done it would make it easier to get people to hold office.

But thirty-five are emphatically against such a change. As one points out, "This would remove one of the greatest safeguards to a credit union."

Questioned as to the value of a central credit union's making loans both to officers and to other credit unions, only three were doubtful. "We find it an excellent plan," says one. "That is what we do," says another, "and it works out. We find that some credit unions have a surplus at times and are short of money at other times, we acting as a sort of bank."

"Personally," an officer comments, "I am inclined to think there should be two groups, one for officers and

members of their immediate families and one for credit unions only. There may be more than one officers' credit union, possibly one in each chapter district of the State. However, there should be only one for credit unions."

"I feel," replies another, "that each State central should be a clearing house for surplus funds of all credit unions, as well as a place where all credit unions and all officers could borrow. To do this, Federal-chartered credit unions should be permitted to put surplus funds on savings in a central credit union."

Nineteen favor paying patronage dividends, and sixteen oppose it. Comments on this question were scant. One who took the affirmative replied, "Yes. We have for two years. Call it interest rebate." One who was opposed remarked, "A patronage dividend must be paid pro rata to all borrowers, and, frankly, all borrowers do not deserve a pro rata dividend of surplus funds. One who has to be dragged along and cajoled, even threatened, should not in my mind be rewarded."

A MISCELLANY of subjects appeared in answer to the question, "What is the biggest problem in running a central credit union?" As already indicated, delinquencies, the raising of capital and the difficulty of making the service convenient to members are seriously considered. Among the answers were these:

"Getting officers located close enough together to be convenient."

"Since our people are so scattered, we find the biggest problem is the lack of personal contact. This has been overcome as much as possible through the treasurer's attendance at organization meetings and annual meetings."

"In contacting members and collecting share payments. The best way to overcome this is to have some interested member in each credit union to make collections to be delivered to or picked up by the treasurer."

"Getting the full cooperation of credit union treasurers in assisting properly in completing applications and notes for their members and with the delinquency of payments."

When you ask a man about his problems, he naturally is inclined to exaggerate them a little. The officers who answered this questionnaire are hard-working people; in many cases they are running credit unions without much financial compensation. Under the circumstances, you would expect them to feel it keenly when a borrower becomes delinquent for no apparent reason—and they do. Few have the philosophy to accept without

wincing the fact that generosity does not always get its due in gratitude.

The key question on the BRIDGE questionnaire was, of course, that in which officers were asked their opinion of the value of central credit unions. The response to that question indicates beyond doubt their fundamental enthusiasm.

Their enthusiasm is borne out by the figures. Where there were 12 central credit unions in 1936, there were 45 in 1940. For 1,341 members in 1936, there were 9,788 in 1940. Assets grew from \$132,334 in 1936 to \$2,503,979 entering the fourth quarter of 1941.

There is, therefore, every indication that centrals are enjoying a healthy growth. If raising capital and delinquencies are a problem for some, bad loans are not: the loss ratio is one-tenth of one per cent. The need for centralized service is evidently so great that continued growth may be expected.

Air-Raid Protection

(Continued from page 30)

It is imperative to provide the best protection possible for the duplicate records. In this connection, it is suggested that a safe deposit box be hired in the best and most secure vault available, in a different location from the credit union office.

It seemed to be folly to reproduce the members' ledger cards because of the continuous changes that occur. Therefore, it was our opinion that at the end of the month when a trial balance of all classes of accounts is run, a duplicate copy should be made and the member's number be typed against each account balance. It would appear that this is about as far as you can go in duplicating the ledger card record. At least you will have a true balance in all cases as of the end of the previous month.

Because of the legal aspects and the fact that the burden of proof rests with the credit union if it sues on a mortgage, it is essential that all such notes should be photostated and duplicates filed in a vault with other copies mentioned above. Subsequent to the date of photostating records, all such notes should be made in duplicate and filed with all other duplicate records.

Relative to the current records and the cash on hand, the treasurer should instruct and in fact drill employees as to the procedure to be followed in case of an air raid. Presumably, with proper instructions the essential records would be gathered together with the funds and placed in the local vault on the premises.

Don't and Do for '42

Don't Curb Your Credit Policy

The making of provident and protective loans to members in need of credit is a service to your members and the country. It helps the member save against the future, it checks inflation, and supports morale.

Lend to help your members buy defense bonds as one way to advance bond sales by credit unions.

Do, Now, More Than Ever Before

protect the borrowing member, his estate, co-signers, and his collateral against death or total and permanent disability.

Life Savings Insurance is also more important than ever.

and a Double Do!

Help your members in every conceivable way to buy defense bonds.

Write us now

about the CUNA Mutual's COMPREHENSIVE "AA" LOAN PROTECTION PLAN.

CUNA MUTUAL INSURANCE SOCIETY

Madison

Wisconsin

All Out for Victory!

By Roy F. Bergengren

EVERY cloud has a silver lining. This is an appeal to you to stop worrying about the cloud—to start tearing it away that the silver lining may shine through.

This war is our challenge—and our golden opportunity. It's a two-shift war, a war which calls on you and on me to work all day—all night—for Victory.

We made a splendid record during the depression, doubling our credit unions. We have done well in good times. We have met every pre-war problem and now we enlist for the duration of the war.

We find in the credit union new and greater services to render, different services, more important services. What's our job?

- (1) Win the war.
- (2) Perform prodigious war services.
- (3) Double and redouble the number of credit unions.
- (4) At the end of the war be ready for a tremendous post-war advance.

We are like an army which has been long in training and is now up in the front line, ready to fight and to win.

Look to our statistics from the viewpoint of organization progress. We have now 43 full time employed men and women in the field for CUNA, the leagues and the regional groups, our strongest personnel to date. We have 700 members of the Founders' Club, men and women who have organized credit unions. We have 720 League directors, 6,500 chapter directors, 10,020 credit union treasurers, at least 110,000 credit union directors and committee members, 116 members of the National Board.

Yet December was the poorest, leanest month in credit union organization since we opened our office seventy-five months ago.

Why?

Because we haven't yet begun to appreciate our obligation and our opportunity. We have in Madison, Wisconsin, 54 credit unions, in a city of 70,000 people which has but few industries. On that basis there should be 100,000 credit unions in the U.S.A. Our organization job is 10 per cent

done. I visited one of the very few community credit unions we have the other day—a credit union with 1,000 members in a community of 1,200 families. There are thousands and thousands of communities in the United States of population from 800 to 5,000, and this splendid credit union could be duplicated in every one of them. We have only scratched the surface with rural and church credit unions. If the paid field personnel turn in 50 credit unions each for 1942, the total will be 2,000; we will be marching, not marking time, not retreating.

A second job of even greater importance is to bring it to pass that our three and a half million members shall do an outstanding national job in the purchase of Defense Bonds. We are starting with this slowly; we are tooling up. But we must be ready to do a real job. This is a long war, a marathon run. It is a war for the strong, the steady, the courageous. I have read that the 1942 cost of the war will be a billion dollars a week, a hundred forty million dollars a day. We can't fill that bucket with an eyedropper! We must buy until it hurts. We are the home front; we must back the battle front. We do not expect this great new army of Uncle Sam to fight half-heartedly. They will fight day and night. They will die for their country. We must fight day and night, and no matter how hard we fight, ours will be the lesser sacrifice. For now every credit union member must buy Defense Bonds equal to at least five per cent of his income. Later the percentage will increase. It means economies, new budgets, readjustments of family expenditures. It means sacrifice on sacrifice. And the credit unions must now invest, in my judgment, 10 per cent of their assets in Defense Bonds and, later on, more. We must work out plans for doing a big job within our three million families with Defense Stamps. You will all be hearing about these plans soon. Their effectiveness will depend on you, on me, on the everlasting teamwork of us all.

The individual credit union will have new problems. We have stressed credit. Now we stress thrift, the great need of the nation if we are to finance

this war to victory. If a credit union is afraid of the future of America, it may be tempted to liquidate. It is fear we are fighting. Our enemies have tried to make the whole world afraid. One great objective of this war is to banish fear. A credit union which liquidates is like the soldier who abandons his station. We are not made of that sort of stuff. More credit unions, stronger credit unions, fearless credit unions, credit unions geared to a maximum war service—of this stuff we are made and this is our golden opportunity to prove it.

Let's get our sights up!

Let's see how we measure up with the men at Valley Forge and at Gettysburg and at Chateau Thierry. It is our blessed privilege to now prove our worthiness to inherit America.

All out for ultimate Victory!

Eidam Pushes Bonds

State Chairman of the Credit Union Section of the Nebraska Defense Savings Committee is John E. Eidam, a director of the Nebraska Credit Union League.

Mr. Eidam has been an active credit union leader since 1934, when he helped form the Farm Credit Administration Cooperative Credit Association in Omaha. He has been president of the Omaha Chapter, of which he was a founder; he served a term as president of the Nebraska State League and participated in the organization of the Kansas-Nebraska Regional Credit Union Association.

"We have been telling our members for years," says Mr. Eidam, "that we can handle their financial affairs. We have informed our members for years that they should practice thrift and place their money in the credit union. We have told them that when it is necessary to borrow money they should borrow from us. We have provided them with a well rounded financial service. Now when they desire to buy bonds, shall we tell them to go to the commercial bank or the post office?"

"In the true Filene tradition, credit unions are not for profit, not for charity, but for service; and right now it's the service of your country. You can help to lift the bonds of slavery from the world by handling and buying Defense Bonds."



John Eidam

Buy Defense Bonds Through Your Credit Union!

Support the Red Cross Liberally!

Cooperate in All Local Defense Activities!

The first objective of the CUNA Supply Cooperative in 1942 is to win the war!

We will supply free to any credit union qualifying as an issuing agent to distribute Defense Bonds, forms FCU 119 and 120, which have been prepared exclusively to facilitate the sale of Defense Bonds.

Our second objective is to continue to perform a maximum service for the credit union movement. Your attention is called to—

1. Victory lapel buttons, \$1.60 per hundred, with the usual discount to members. Every member should have one.

2. The forms required by Regulation W. Now ready: official forms, Reg. W-4 (Federal Reserve form 564), "Statement of Borrower" and Reg. W-5 (Federal Reserve form 565), "Statement of necessity to prevent hardship"

Both are required by Regulation W. Inquire of your State League if it handles forms for any items listed, otherwise of the CUNA Supply Cooperative, Madison, Wisconsin.

3. The list of attractive posters is increasing. Order a supply for a year so that you will

have an appropriate and timely new poster for each month.

4. We are still able to offer the "Credit Union Office," designed to supply the small credit union at a very low price with a combination metal container, desk, money drawer and ample filing space all under combination lock.

5. We don't know how much longer we can offer the small change banks, but we have them now. Inexpensive and very useful to promote day by day savings of small amounts. Excellent for tax and Christmas saving, etc.

6. A hundred items of credit union accounting forms, including CUNADEX, the credit union approved method of visible accounting.

For details, your State League if it handles forms; otherwise

CUNA Supply Cooperative

Madison, Wisconsin

Buy Defense Bonds Through Your Credit Union!
Support the Red Cross Liberally!
Cooperate in All Local Defense Activities!

DON'T *You* BE CAUGHT

**"BEHIND the
EIGHT BALL"**

WHEN TAXES COME DUE



★ *"Start NOW a
Savings for Taxes Account
in your CREDIT UNION"*

